

105TH CONGRESS  
1ST SESSION

# H. R. 2386

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## AN ACT

To implement the provisions of the Taiwan Relations Act concerning the stability and security of Taiwan and United States cooperation with Taiwan on the development and acquisition of defensive military articles.

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## AN ACT

To implement the provisions of the Taiwan Relations Act concerning the stability and security of Taiwan and United States cooperation with Taiwan on the development and acquisition of defensive military articles.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “United States-Taiwan  
3 Anti-Ballistic Missile Defense Cooperation Act”.

4 **SEC. 2. FINDINGS.**

5       The Congress finds the following:

6           (1) The stability and security of Taiwan and  
7 the balance of power in the Taiwan Strait are key  
8 elements for the continued peace and stability of the  
9 greater Asia-Pacific region, and the indefinite con-  
10 tinuation of such stability and security and balance  
11 of power is in the vital national security interest of  
12 the United States.

13           (2) The People’s Republic of China is currently  
14 engaged in a comprehensive military modernization  
15 campaign that is enhancing the power-projection ca-  
16 pabilities of the People’s Liberation Army, including  
17 the introduction of advanced ballistic and cruise mis-  
18 siles that could alter the current balance of power in  
19 the Taiwan Strait and in the greater Asia-Pacific re-  
20 gion.

21           (3) The current lack of transparency in the  
22 People’s Republic of China military infrastructure  
23 and its associated defense establishment and the  
24 opaqueness of the comprehensive efforts of the Peo-  
25 ple’s Liberation Army to modernize its ballistic and  
26 cruise missile programs could spark a regional arms

1 race that would destabilize the East Asia and West-  
2 ern Pacific regions and threaten vital United States  
3 national security interests.

4 (4) In March 1996, the People's Liberation  
5 Army created a temporary, but de facto, blockade of  
6 both the international shipping lanes of the Taiwan  
7 Strait and the international airspace around Taiwan  
8 by conducting live-fire military exercises which in-  
9 cluded the launch of several advanced, nuclear-capable  
10 M-9 ballistic missiles to target areas close to  
11 major ports in both the northern and southern areas  
12 of Taiwan.

13 (5) In March 1996, the locations of People's  
14 Liberation Army military activities and M-9 missile  
15 target areas nearby to Taiwan's two largest ports,  
16 Keelung and Kaohsiung, created a de facto blockade  
17 of the Taiwan Strait, international waters and air-  
18 space, interfered with United States and inter-  
19 national shipping and aviation, and impinged upon  
20 the national security interests of the United States,  
21 requiring the immediate deployment of two United  
22 States aircraft carrier battle groups to the South  
23 China Sea.

24 (6) The actions of the People's Liberation Army  
25 in such close proximity to Taiwan were deliberate at-

1       attempts to disrupt Taiwan’s social and economic sta-  
2       bility and were carried out as attempts to intimidate  
3       the people of Taiwan during the period leading up  
4       to Taiwan’s historic first democratic presidential  
5       election.

6               (7) The early development and deployment of  
7       an effective United States theater missile defense  
8       system to the Asia-Pacific region, and the adjust-  
9       ment of United States policy to include Taiwan, in-  
10      cluding the Penghu Islands, Kinmen, and Matsu,  
11      under the protection of such defense system, would  
12      be prudent and appropriate responses to—

13              (A) the refusal by the People’s Republic of  
14      China to renounce the use of force to determine  
15      the future of Taiwan;

16              (B) the nature of the military threat of the  
17      People’s Republic of China posed by the in-  
18      creased focus of the People’s Liberation Army  
19      on advanced missile development; and

20              (C) the demonstrated intent of the Govern-  
21      ment of the People’s Republic of China to use  
22      live-fire military exercises and ballistic missile  
23      tests against the people and Government of  
24      Taiwan as tools of so-called coercive diplomacy.

1           (8) The early deployment of a United States  
2 theater anti-ballistic missile system in the Asia-Pa-  
3 cific region would maintain a balance of power in the  
4 Taiwan Strait and deter the People's Republic of  
5 China from resorting to military intimidation tactics  
6 to coerce or manipulate the people and freely elected  
7 Government of Taiwan in the future.

8           (9) While Taiwan is currently acquiring a local  
9 aircraft and ballistic and cruise missile defense capa-  
10 bility in the form of the Modified Air Defense Sys-  
11 tem (MADS), a larger portion of Taiwan's territory  
12 and population would be protected if this system  
13 were expanded to include a defense of the Taichung  
14 region, Kaohsiung, the Penghu Islands, Kinmen,  
15 and Matsu from limited ballistic missile attacks and  
16 a deterrent against the threat and use of force  
17 against Taiwan by the People's Liberation Army to  
18 achieve the political goals of the core leadership of  
19 the People's Republic of China.

20           (10) Taiwan has requested further United  
21 States cooperation on missile defense, including the  
22 conduct of a joint architecture study of the require-  
23 ments for the establishment and operation of a mis-  
24 sile defense system for Taiwan, including the  
25 Penghu Islands, Kinmen, and Matsu.

1           (11) On June 9, 1898, the “Convention Re-  
2       specting an Extension of Hong Kong Territory” was  
3       agreed to between representatives of the govern-  
4       ments of Great Britain and China to lease the New  
5       Territories for the period of 99 years beginning on  
6       July 1, 1898.

7           (12) On December 19, 1984, the “Sino-British  
8       Joint Declaration”, agreed to between representa-  
9       tives of the governments of Great Britain and China,  
10      established the terms for the return to China on  
11      July 1, 1997, of the Hong Kong area (including the  
12      Hong Kong Island, Kowloon, and the New Terri-  
13      tories (hereafter in this resolution referred to as  
14      “Hong Kong”).

15          (13) No treaties exist between the People’s Re-  
16      public of China and Taiwan which determine the fu-  
17      ture status of Taiwan.

18          (14) The People’s Republic of China attempts  
19      to apply to Taiwan the formula commonly known as  
20      “one country, two systems” in an effort to annex  
21      Taiwan to China.

22          (15) The People’s Republic of China has re-  
23      fused to renounce the use of force against Taiwan  
24      and held military exercises in the Taiwan Strait in

1 March 1996 in an attempt to intimidate the people  
2 of Taiwan in their first presidential elections.

3 (16) The Taiwan Relations Act states that “[i]t  
4 is the policy of the United States . . . to consider  
5 any effort to determine the future of Taiwan by  
6 other than peaceful means, including by boycotts or  
7 embargoes, a threat to the peace and security of the  
8 Western Pacific area and of grave concern to the  
9 United States”.

10 **SEC. 3. STUDY AND REPORT RELATING TO ESTABLISH-**  
11 **MENT AND OPERATION OF A THEATER BAL-**  
12 **LISTIC MISSILE DEFENSE SYSTEM IN THE**  
13 **ASIA-PACIFIC REGION.**

14 (a) STUDY.—The Secretary of Defense shall carry  
15 out a study of the architecture requirements for the estab-  
16 lishment and operation of a theater ballistic missile de-  
17 fense system in the Asia-Pacific region that would have  
18 the capability to protect Taiwan from ballistic missile at-  
19 tacks. The study shall include a description of appropriate  
20 measures by which the United States would cooperate with  
21 Taiwan and provide Taiwan with an advanced local-area  
22 ballistic missile defense system.

23 (b) REPORT.—Not later than July 1, 1998, the Sec-  
24 retary of Defense shall submit to the Committee on Na-  
25 tional Security of the House of Representatives and the



1 Committee on Armed Services of the Senate a report con-  
2 taining—

3           (1) the results of the study conducted under  
4       subsection (a);

5           (2) the factors used to obtain such results;

6           (3) a description of any existing United States  
7       missile defense system that could be transferred to  
8       Taiwan in accordance with the Taiwan Relations Act  
9       in order to allow Taiwan to provide for its self-de-  
10      fense against limited ballistic missile attacks.

11       (c) FORM OF REPORT.—The report under subsection  
12 (b) shall be submitted in both classified and unclassified  
13 form.

14 **SEC. 4. TRANSFER OF BALLISTIC MISSILE DEFENSE SYS-**  
15 **TEMS TO TAIWAN.**

16       It is the sense of the Congress that the President,  
17 if requested by the Government of Taiwan and in accord-  
18 ance with the results of the study conducted under section  
19 3, should transfer to the Government of Taiwan appro-  
20 priate defense articles or defense services under the for-  
21 eign military sales program under chapter 2 of the Arms  
22 Export Control Act (22 U.S.C. 2761 et seq.) for the pur-  
23 pose of establishing and operating a local-area ballistic  
24 missile defense system to protect Taiwan, including the

1 Penghu Islands, Kinmen, and Matsu, against limited bal-  
2 listic missile attacks.

3 **SEC. 5. STATEMENT OF POLICY RELATING TO UNITED**  
4 **STATES THEATER MISSILE DEFENSES FOR**  
5 **THE ASIA-PACIFIC REGION.**

6 The Congress declares that it is in the national inter-  
7 est of the United States that Taiwan be included in any  
8 effort at ballistic missile defense cooperation, networking,  
9 or interoperability with friendly and allied nations in the  
10 Asia-Pacific region.

11 **SEC. 6. SENSE OF THE CONGRESS URGING THE PRESIDENT**  
12 **TO MAKE CLEAR TO THE PEOPLE'S REPUBLIC**  
13 **OF CHINA THE COMMITMENT OF THE AMER-**  
14 **ICAN PEOPLE TO SECURITY AND DEMOC-**  
15 **RACY IN TAIWAN.**

16 It is the sense of the Congress that the Clinton Ad-  
17 ministration should make clear to the leadership of the  
18 People's Republic of China, the American people's firm  
19 commitment for security and democracy for the people of  
20 Taiwan and that the United States fully expects that the  
21 resolution of security issues on both sides of the Taiwan  
22 Strait will be resolved by peaceful means.

23 **SEC. 7. ADDITIONAL SENSE OF THE CONGRESS REGARDING**  
24 **TAIWAN.**

25 It is the sense of the Congress that—

1           (1) the transfer of Hong Kong to the People's  
2       Republic of China does not alter the current and fu-  
3       ture status of Taiwan;

4           (2) the future of Taiwan should be determined  
5       by peaceful means through a democratic process;  
6       and

7           (3) the United States, in accordance with the  
8       Taiwan Relations Act and the constitutional proc-  
9       esses of the United States, should assist in the de-  
10      fense of Taiwan in case of threats or military attack  
11      by the People's Republic of China against Taiwan.

Passed the House of Representatives November 6,  
1997.

Attest:

*Clerk.*